U.S. DEPARTMENT *of* ENERGY

Federal Energy Management Program

Reporting Guidance for Federal Agency Annual Report on Energy Management

(per 42 U.S.C. 8258)

September 2026

Federal Energy Management Program
Office of Critical Minerals and Energy Innovation
U.S. Department of Energy

Introduction

This guidance outlines annual reporting procedures with respect to Federal agency energy and water management activities. The Department of Energy's (DOE) Federal Energy Management Program (FEMP) has prepared this guidance for consolidated data collection to meet reporting requirements established under the National Energy Conservation Policy Act (NECPA), as amended, Energy Policy Act of 2005 (EPACT '05), Energy Independence and Security Act of 2007 (EISA), and the Energy Act of 2020.

Purpose of Reporting

Section 548(a) of NECPA (42 U.S.C. 8258(a)) requires each Federal agency to submit a report each year to the Department of Energy on their activities to meet the energy management requirements of Section 543 of NECPA (42 U.S.C. 8253). Information and data collected from the agencies will be used to develop DOE's *Annual Report to Congress on Federal Government Energy Management*. This report is required under Section 548 of NECPA (42 U.S.C. 8258(b)) and describes energy management activities in Federal facilities and operations and progress in implementing the requirements of NECPA, EPACT '05, and EISA. Final distribution of the report includes the House Committee on Energy and Commerce and the Senate Committee on Energy and Natural Resources.

Data contained in the annual report is publicly released and made available to other Federal agencies, including the Bureau of Economic Analysis and Energy Information Administration; State and local governments; private companies and citizens, and non-government organizations. Most-recent and past fiscal year data is also available in detail on FEMP's website at https://www.energy.gov/cmei/femp/federal-comprehensive-annual-energy-performance-data. This guidance document is also available at the following web page: https://www.energy.gov/cmei/femp/federal-comprehensive-annual-energy-reporting-requirements.

Reporting Package Components

Due Date

The completed FY 2026 Annual Energy Management Report package is required to be submitted to DOE no later than **January 29, 2027.** The reporting package submittal includes:

- Energy Management Report Summary with all required narratives,
- *Annual Energy Management Data Report* workbook for FY 2026 reporting of energy, water, cost, and square footage data and energy efficiency investment,
- Completed upload template for grid-supplied electricity use and costs by site/ZIP Code/utility provider (see Reporting Notes New for FY 2026 below)
- If applicable, corrections to prior year *Data Reports* in the *Data Report* edition for those years, and
- Completed Energy Performance Goal Excluded Buildings List (included as part of the *Annual Energy Management Data Report* workbook). Tab 4.7 in the workbook provides a template for agencies to submit the list of facilities excluded from the energy intensity (Btu per gross square foot) reduction requirement and an explanation of why they were excluded. Refer to DOE's Guidelines Establishing Criteria for Excluding Buildings from the Energy Performance Requirement. These guidelines establish criteria for exclusions from the energy performance requirement for a fiscal year, any Federal building or collection of Federal buildings, within the statutory framework provided by the law.

Reporting Notes: New for FY 2026

- Similar to last year's process, all grid-supplied electricity consumption (domestic and international) will be collected using an upload template for grid-supplied electricity use and costs by site/ZIP Code/utility provider. This template is pre-populated with agency and subagency site names and utility providers from prior year reporting along with the two prior years of past data for reference. See Tab 1.1 in the AEMDR workbook for more information. During the first quarter of FY 2027, FEMP will also issue user accounts to agencies for the Annual Energy Reporting (AER) system to more easily analyze and refine electricity data and make corrections to prior years.

- The "Guidance for Receiving Credit on Energy Performance Goals for Projects That Save Source Energy but Increase Site-Delivered Energy," (Attachment 2 to this guidance) has been updated to reflect the more recent Site-Source Btu conversion ratio of electricity. Additionally, Tab 4.3 in the *Annual Energy Management Data Report* workbook has been revised to add a simplified calculator to determine the source-energy-saving project credit for combined heat and power plants (CHPs) based on the amount of electricity generated by CHPs.

Points of Contact

Requested information, along with the *Annual Energy Management Data Report* workbook should be sent electronically to: chris.tremper@doe.gov and nichole.liebov@doe.gov

If you have any questions, please contact Chris Tremper at (202) 247-6501 or Nichole Liebov at (240) 702-3509. Thank you for your cooperation and diligence in meeting Federal energy reporting requirements.

Attachments

Attachment 1 - Energy Management Report Summary Instructions – Provides instructions for the agency to provide the minimal required narrative information and details of energy and water management activities. Agency energy consumption and associated data will be collected from the *Annual Energy Management Data Report* workbook and upload template for grid-supplied electricity use and costs.

For the report to FEMP, agencies are only required to provide extenuating factors that may be skewing the agency progress, data variances, or other anomalies that are pertinent to the data review.

Attachment 2 - Guidance for Receiving Credit on Energy Performance Goal for Projects That Save Source Energy But Increase Site-Delivered Energy – This guidance describes how agencies can receive credit towards their energy reduction goals for life-cycle cost-effective projects in which source energy decreases even if site-delivered energy use increases (as electricity production is moved on site for combined heat and power applications, for example). This guidance provides calculator tools and instructions on how to document the project(s) and correctly calculate the necessary adjustment to the site Btu-per-square-foot performance metric.

ATTACHMENT 1

Energy Management Report Summary Instructions

The Annual Energy Management Report should contain minimal required narrative information and details of energy and water management activities not collected by other means, such as the *Annual Energy Management Data Report*, or the FEMP Compliance Tracking System (CTS).

SECTION 1 – Performance Metrics Progress Details, Explanations of Data Variances

1. Energy Consumption Results Explanations

a. Goal Subject Buildings
Discuss any extenuating factors that may be skewing the agency progress toward the energy intensity reductions reported in FY 2026. Explain any variances of greater than 5% from the prior year in Btu, Gross Square Footage, or Btu/GSF. (Note: The energy intensity reductions will be calculated and reported in the Results Summary spreadsheet located in the *Annual Energy Management Data Report* workbook.)

b. Goal-Excluded Facilities
Explain any variances of greater than 5% from the prior year in Btu consumed or Gross Square Footage of goal-excluded facilities.

c. Vehicles and Equipment
Discuss trends pertaining to this category of fuel use for non-fleet vehicles and other equipment not captured by the Federal Automotive Statistical Tool (FAST) reporting system. Explain any variances of greater than 5% from the prior year in Btu consumed.

2. Renewable Energy Use

a. On-Site generated renewable energy
Explain any variances of greater than 5% from the prior year in renewable electricity generated from on-site projects. If applicable, highlight specific recent projects contributing to increases in on-site generation from renewable sources.

b. Purchased renewable energy
Discuss highlights of major purchases and approaches taken to obtain renewable energy through purchases which may have contributed to a variance of greater than 5% from the prior year.

3. **Potable Water Consumption**
   Discuss any extenuating factors that may be skewing the agency progress toward the water intensity reductions reported in FY 2026. Explain any variances of greater than 5% from the prior year in Gallons, Gross Square Footage, or Gal/GSF.

SECTION 2 – Investment in Efficiency and Conservation Measures

1. **Summary of Investment and Approaches**
   Where applicable, agencies should provide summary highlights of the following investment strategies undertaken during FY 2026 to implement efficiency measures and renewable energy projects:

   a. **Retrofits and capital improvement projects directly funded by the agency**
   b. **Use of performance contracts**
      Per 42 U.S.C. 8258(a)(2), highlight the number of such contracts entered into by the agency and any problem encountered in entering into such contracts and otherwise implementing:
      i. Energy Savings Performance Contracts (ESPCs)
      ii. Utility Energy Service Contracts (UESCs)
   c. **Use of other types of contracts or incentives**

2. **Supplemental Project Investment and Savings Reporting (if necessary)**
   In Tab 4.8 of the *Annual Energy Management Data Report* workbook, please report summary data on energy and water efficiency projects awarded in FY 2026 only if these projects have not already been reported in the FEMP Compliance Tracking System (CTS) as required under Section 432 of the Energy Independence and Security Act of 2007. These data sets will be used to reconcile totals reported by the agency in tables 2-1, 2-2, and 2-3 of Tab 4.4 of the *Annual Energy Management Data Report* workbook.

ATTACHMENT 2

Guidance for Receiving Credit on Energy Performance Goals for Projects That Save Source Energy but Increase Site-Delivered Energy

Intent

The purpose of 43 U.S. Code PART B—FEDERAL ENERGY MANAGEMENT is to promote the conservation and the efficient use of energy and water, and the use of renewable energy sources, by the Federal Government. In addition to energy delivered to the site of use, this also includes energy as measured at the source of generation and including conversion and transmission losses. To that end, agencies shall undertake life-cycle cost-effective projects in which source energy decreases, even if site-delivered energy use increases (as electricity or thermal energy production is moved on site). Since progress toward the Btu-per-gross-square-foot performance requirements of NECPA (42 U.S.C. 8253) is measured in terms of site-delivered Btu, agencies may receive a "site/source credit" for projects that save source energy but increase site-delivered energy (combined-heat-and-power-plant projects, for example).

Background

In June 1996, the Federal Interagency Energy Policy Committee (656 Committee) (42 U.S.C. 7266) unanimously approved a policy statement encourages cost-effective energy projects that result in reduced energy consumption regardless of whether that consumption is measured on a site basis or source basis. This policy statement was utilized by the Interagency Energy Management Task Force (42 U.S.C. 8257) to develop and issue in April 2000, "Guidance for Providing Credit Toward Energy Efficiency Goals for Cost-Effective Projects Where Source Energy Use Declines but Site Energy Use Increases." The reason for the credit is to prevent the site-delivered Btu performance metric from penalizing agencies for implementing cost-effective projects where source energy decreases but site-delivered energy increases.

Energy measured at the point of use is termed "site energy." Energy measurement that accounts for the generation, transmission and distribution of the energy is called "source energy."

Whichever way consumption is measured, cost-effectiveness remains the mandated criteria for assessing, selecting, and funding potential Federal energy efficiency projects (42 U.S.C. 8254(b)(1)). Since agency progress toward the NECPA energy performance requirement (30 percent energy reduction in 2015 compared to 2003) is measured in terms of *site-delivered* Btu per gross square foot, an adjustment to the metric is required for source energy saving projects.

For agencies reporting projects that reduce source energy use while increasing site energy use, the source energy savings will be subtracted from the agency site energy use before the final calculation of goal performance in terms of site Btu per gross square foot.

Calculating Project-Specific Source Energy Reductions

Agencies can receive credit for life-cycle cost-effective projects where source energy declines and site energy increases. For each such completed project, agencies should calculate source energy savings for the reported fiscal year.

Here are the factors that DOE uses to determine site Btu equivalents from native units for energy types not typically reported as Btu:

Energy Type	Site Btu Conversion Factor
Electricity	3,412 Btu/kWh
Natural Gas	1,026 Btu/cubic foot
Fuel Oil (Distillate No. 2)	138,000 Btu/gallon
Propane & Liquid Propane	92,000 Btu/gallon
Steam	1,000 Btu/pound

To convert site Btu to source Btu, agencies may use the multi-year national average factors promulgated by the ENERGY STAR Program for its Portfolio Manager benchmarking tool.

Source-Site Btu Ratios for ENERGY STAR Portfolio Manager Energy Meter Types

Energy Type	ENERGY STAR calculator Ratios
Electricity (Grid Purchase)	2.80
Electricity (on-Site Solar or Wind Installation)	1.00
Natural Gas	1.05
Fuel Oil (1,2,4,5,6,Diesel, Kerosene)	1.01
Propane & Liquid Propane	1.01
Steam	1.20
Hot Water	1.20
Chilled Water	0.91
Wood	1.0
Coal/Coke	1.0
Other	1.0

Sources: https://www.energystar.gov/buildings/tools-and-resources/portfolio-manager-technical-reference-source-energy

Agencies should use the following worksheet to calculate the annual site energy increase and energy saved with the projects, for each applicable project for which source energy is reduced but site energy increases.

Project Worksheet				Example: XYZ	
Base Case (without Project)					
Line 1	Annual Source Energy Used (if using conversion factors; multiple Site Energy by Ratio amount)		MMBtu	*225,900*	MMBtu
Line 2	Annual Site Energy Used		MMBtu	*107,770*	MMBtu
With Project					
Line 3	Annual Source Energy Used		MMBtu	*178,800*	MMBtu
Line 4	Annual Site Energy Used After Project		MMBtu	*128,170*	MMBtu
Line 5	Annual Source Energy Saved After Project (subtract Line 3 from Line 1, this is:)		MMBtu	*47,100*	MMBtu
Line 6	Annual Site Energy Increase After Project (subtract Line 2 from Line 4, this is:)		MMBtu	*20,400*	MMBtu

Qualifying projects receive a credit in the amount of the annual source energy savings (line 5 above), which is used to adjust downward the agency site energy use before the final calculation of goal performance in terms of site Btu per gross square foot. An agency's existing site tracking system may automatically recognize part of the credit as many qualifying projects report similar characteristics that the utilization of on-site energy produces while also reducing purchases of electricity from the grid. The purpose of the adjustment is to account for the rest of the source energy savings credit.

For example, consider a large cogeneration (combined heat and power or CHP) project. Electricity is generated on-site with natural gas backed up with liquid fuel, and heat is recovered from the generation process and recycled to reduce purchases of boiler fuels, and/or to generate chilled water, further reducing grid electricity purchases. As a result of the project, fuel use for on-site power generation increases, fuel use for boilers decreases, and grid electricity purchases decrease. Site Btu and source Btu are substantially identical for all energy forms impacted by the project except for grid electricity, where 1 kWh equals 9,554 source Btu (using the ENERGY STAR ratio) but only 3,412 site Btu. With the exception of grid electricity, all forms of energy affected by the project have essentially the same Btu value whether site or source. Therefore, backing out the grid electricity displaced by the project (self-generation, electric chiller load displaced by chilled water from recycled heat, etc.), on a source-Btu basis, is all that needs to be done. The agency's site energy tracking system will already have backed out displaced grid electricity because it no longer appears on the utility meter, but only at a rate of 3,412 Btu per kWh. An adjustment is needed to account for the rest of the source energy savings, at a rate of 6,142 Btu per kWh (9,554 minus 3,412). The adjustment for the cogeneration project equals the displaced grid electricity in kWh per year multiplied by 6,142 Btu per kWh.

After calculating adjustments for each qualifying project, compile the data into the worksheet listed in the *FEMP Annual Energy Management Data Report*, Tab 4.3, as illustrated in the example below and located at: https://www.energy.gov/cmei/femp/articles/annual-energy-management-data-report. Note that the first section is for reporting the source energy savings from general projects that increase site energy but reduce source energy (gas retrofit of electric water heaters in the example below). The second section provides a calculator for the source credit for CHP plants based on electricity generated.

AGENCY COMPILATION WORKSHEET FOR CREDIT FOR PROJECTS THAT INCREASE SITE ENERGY USE BUT SAVE SOURCE ENERGY

General Projects that Increase Site Energy Use but Reduce Source Energy

Name of Project Saving Source Energy in Current Fiscal Year (insert additional rows as necessary)	Annual Site Energy Increase with the Project (Million Btu)	Annual Source Energy Saved with the Project (vs. Base Case without the Project) (Million Btu)	Adjustment to Annual Site Energy (Million Btu)
Gas retrofit of electric water heaters	**20,400.0**	**47,100.0**	**-47,100.0**
Project #2	**0.0**	**0.0**	**0.0**
Project #3	**0.0**	**0.0**	**0.0**
Subtotal	20,400.0	47,100.0	**-47,100.0**

Generally 6,142 Btu/kWh

Cogeneration/Combined Heat and Power (CHP) Plants

Name of Combined Heat and Power Plant Generating Electricity in Current Fiscal Year (insert additional rows as necessary)	Annual Electricity Generated by Plant Kilowatthours (kWh)	Avoided Source Energy/ Generation and transmission losses from displaced grid-supplied electricity (Million Btu)	Adjustment to Annual Site Energy (Million Btu)
CHP Plant #1	**1,000,000.0**	6,142.0	**-6,142.0**
CHP Plant #2	**2,500,000.0**	15,355.0	**-15,355.0**
CHP Plant #3	**5,000,000.0**	30,710.0	**-30,710.0**
	0.0	0.0	**0.0**
	0.0	0.0	**0.0**
	0.0	0.0	**0.0**
	0.0	0.0	**0.0**
	0.0	0.0	**0.0**
Subtotal	**8,500,000.0**	**52,207.0**	**-52,207.0**
		Total Adjustment for Source Energy Saving Projects	**-99,307.0**

Reporting to DOE FEMP

Agencies do not need to submit any additional information besides what is entered in the *Annual Energy Management Data Report*, Tab 4.3 worksheet. DOE will compile the data in this workbook and apply the credit automatically into the Agency's Energy Report.

Point of Contact

If you have any questions, please contact Chris Tremper at (202) 247-6501 or email chris.tremper@doe.gov.